

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 10398-GG
MOUNTAIN UTILITIES, INC.)	

O R D E R

On March 21, 1989, the Commission issued its Order in Case No. 10398 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 27, 1993, Mountain Utilities, Inc. ("Mountain") notified the Commission that its wholesale cost of gas will be increased by its supplier, EREX, effective November 1, 1993, and submitted with its notice certain information in compliance with its purchased gas adjustment ("PGA") clause on file with this Commission.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Mountain's notice of August 27, 1993 set out certain revisions in rates which Mountain proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its supplier in the amount of \$15,409 or 26.68 cents per Mcf.

2. Mountain has entered into a contract with EREX for gas supply at rates which become effective November 1, 1993 and remain in effect through October 31, 1994. The effective date for Mountain's increase should be on and after November 1, 1993.

3. Mountain's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 10398, dated March 21, 1989, is fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after November 1, 1993.


IT IS THEREFORE ORDERED that:


1. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after November 1, 1993.

2. Within 30 days of the date of this Order, Mountain shall file with this Commission its revised tariffs setting out the rates authorized herein.


Done at Frankfort, Kentucky, this 1st day of November, 1993.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

ATTEST:


Executive Director


Commissioner

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10398-GG DATED November 1, 1993.

The following rates and charges are prescribed for the customers in the area served by Mountain Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First	1 Mcf	\$8.7727 per Mcf
All Over	1 Mcf	8.0127 Per Mcf
Minimum Bill:		
(When less than 1 Mcf is used)		8.77
Surcharge:		
Kentucky-West Virginia Gas Company		
Per Mcf		\$.8192

The base rate for the future application of the purchased gas adjustment clause of Mountain Utilities, Inc. shall be:

Commodity

EREX	\$3.10/Dth
------	------------